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4. USACM circulated an Offer Sheet to prospective Direct Lenders soliciting funding for an acquisition and development loan to a borrower identified as "Eagle Meadows Development, Ltd." A copy of the Offer Sheet is attached hereto as **Exhibit B** and incorporated by this reference.

- 5. On October 19, 2005, Borrower made and delivered to various lenders, including the Direct Lenders identified in **Exhibit A**, a "Promissory Note Secured by Deed of Trust" (the "Note") and a Loan Agreement. The Note and Loan Agreement provided for a loan of \$29,600,000, with potential subsequent increases up to \$35,630,000. The Note was secured by a "Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing" from the Borrower in favor of the Direct Lenders that was recorded in the official records of Merced County, California on November 9, 2005 at Instrument Number 05-89765, as were subsequent amendments to the Deed of Trust to secure subsequent advances. The Note was also supported by an Unconditional Guaranty executed by Kent Hoggan and Catamount Management, LLC on October 19, 2005.
- 6. The USACM "Loan Summary" dated July 31, 2006 and filed in this case shows that Borrower was "Non-performing" on the Note as of July 31, 2006.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: June 27, 2011

/s/ Geoffrey L. Berman

Geoffrey L. Berman

Copy of the foregoing (without exhibits) mailed by first class postage prepaid U.S. Mail on June 27, 2011 to the investors in the Eagle Meadows loan listed on Exhibit A.

s/ Matt Burns

Matt Burns Lewis and Roca LLP

<sup>&</sup>lt;sup>1</sup> The name of the borrower on the Offer Sheet is a different entity from the actual borrowing entities that signed the loan agreement.